

# The Future Flow of Goods

Prologis, Inc. Economic Impact Report—2022 Update

## EXECUTIVE SUMMARY

Global supply chain disruptions in recent years have underscored the important role logistics real estate plays in the distribution of goods. Logistics companies ensure a smooth supply chain to deliver the goods people need for their day-to-day lives.

Today, the supply of logistics real estate has never been tighter. Consumer behavior continues to drive growth of ecommerce, which contributes to an ongoing demand for warehouse space. The COVID-19 pandemic taught an important lesson around resiliency as companies to reevaluate their operations, moving from just-in-time to just-in-case inventory practices, which also drives more demand for space.

Prologis, the global leader in logistics real estate, sees many of the goods that make modern life possible flow through its distribution centers. These products include food and beverage, household essentials, apparel, electronics, medical supplies and pharmaceuticals, building and transportation supplies, and automotive.

Given its scale, the company has a unique view into the interconnected nature of global trade. The independent advisory firm Oxford Economics (OE) recently conducted an economic impact analysis to examine how Prologis' business operations and customers' activity together contribute to the global economy.

Key insights from the 2022 *Future Flow of Goods* study include the following:

- **\$2.7 trillion of goods produced or sold** in the world went through Prologis facilities in 2022, a 23% increase from 2020.<sup>1</sup>
- **4.0% of GDP in Prologis markets** – The \$2.7 trillion of goods passing through a Prologis facility represents 4.0% of the GDP in the 19 countries in which Prologis operates, compared to 3.5% in 2020. (Prologis' portfolio spanned 963 million square feet in 2020).<sup>2</sup>
- **2.8% of global GDP** – The goods produced and sold that came through a Prologis building represent 2.8% of global GDP, up from 2.5% in 2020.<sup>3</sup>
- **Roughly 1.1 million people** work under a Prologis roof, a 25% increase over 2020.
- **36.2% of goods in the U.S.** – In the United States, the economic value representing 36.2% of goods consumption passes through a Prologis facility; 12% of goods consumption passes through a Prologis facility in Europe.
- **\$66 billion in tax impact** – Activities in Prologis facilities generate an estimated \$66 billion in total tax impacts from the estimated \$300 billion in economic activity in Prologis' 19 countries of operation.

*Phase 1* of the *Future Flow of Goods* study was conducted in 2017. *Phase 2* was conducted in July 2020. *Phase 3* was updated in December 2022 to reflect Prologis' growth and changes in the logistics real estate landscape.

## ABOUT THE STUDY

Data and assumptions used in the study are based on several sources, including internal Prologis data. While Prologis portfolio data are current as of October 2022, productivity estimates are generally made using 2021 data, and results are benchmarked to 2021 macroeconomic data, as these are the most recently available published figures. For the full report by Oxford Economics, please visit [www.prologis.com/about/future-flow-of-goods](http://www.prologis.com/about/future-flow-of-goods).

1. Based on 2020 data per Oxford Economics report
2. Per Oxford Economics, it is important to note that GDP represents the total value of all final goods and services production. Some warehouses may be used to store intermediate goods (i.e. components used in the production of final goods), and of course services do not need to be stored, and a single good will often be stored in multiple warehouses on its way to final consumers.
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# \$2.7 trillion

ECONOMIC VALUE OF GOODS  
THAT PASS THROUGH OUR  
WAREHOUSES GLOBALLY





# 2.8%

OF GLOBAL GDP

# 4.0% of GDP

OF GDP IN THE 19 COUNTRIES WHERE PROLOGIS OPERATES



Prologis Park Eindhoven, Eindhoven, the Netherlands.



36.2%

OF GOODS PASS THROUGH  
A PROLOGIS FACILITY  
IN THE U.S.

12%

OF GOODS PASS THROUGH  
A PROLOGIS FACILITY  
IN EUROPE







# 1.1 million

WORKERS EMPLOYED IN  
PROLOGIS FACILITIES GLOBALLY



2020

2021

2022



# \$66 billion

TOTAL GLOBAL TAX IMPACTS IN THE 19 COUNTRIES WHERE WE OPERATE

